

[ARGUMENT OPPOSING PROPOSITION 56]

WE ALL WANT TO HELP THOSE WHO WANT TO STOP SMOKING, BUT PROP. 56 IS NOT WHAT IT APPEARS TO BE.

Prop. 56 is a \$1.6 billion "tax hike grab" by insurance companies and other wealthy special interests to dramatically increase their profits by shortchanging schools and ignoring other pressing problems.

Prop. 56 allocates just 13% of new tobacco tax money to treat smokers or stop kids from starting. If we are going to tax smokers another \$1.6 billion per year, more should be dedicated to treating them and keeping kids from starting.

Instead, most of the \$1.6 billion in new taxes goes to health insurance companies and other wealthy special interests, instead of where it is needed.

PROP. 56 CHEATS SCHOOLS OUT OF AT LEAST \$600 MILLION PER YEAR.

California's Constitution (through Proposition 98), requires that schools get at least 43% of any new tax increase. Prop. 56 was purposely written to undermine our Constitution's minimum school funding guarantee, allowing special interests to deceptively divert at least \$600 million a year from schools to health insurance companies and other wealthy special interests. *Not one penny of the new tax money will go to improve our kids' schools.*

PROP. 56 DOESN'T SOLVE PROBLEMS FACING CALIFORNIA FAMILIES.

We have many pressing problems in California, like fully funding our schools, repairing roads, solving the drought and fighting violent crime. *If we are going to raise taxes, we should be spending this new tax revenue on these problems.*

PROP. 56 FATTENS INSURANCE COMPANY PROFITS.

In another deception, health insurance companies and wealthy special interests wrote Prop. 56 and are spending millions to pass it so that they can get paid as much as \$1 billion more for treating the very same Medi-Cal patients they already treat today. *They are not required to accept more Medi-Cal patients to get this money.*

Instead of treating more patients, insurance companies can increase their bottom line and more richly reward their CEOs and senior executives. *In fact, the Prop. 56 spending formula gives insurance companies and other health care providers 82% of this new tax.*

**SUBJECT TO COURT
ORDERED CHANGES**

PROP. 56 SPENDS OVER \$147 MILLION PER YEAR ON OVERHEAD AND BUREAUCRACY.

This \$147 million can be spent each year with virtually no accountability to taxpayers. This could lead to massive waste, fraud, and abuse. *In fact, Prop. 56 spends nearly as much money on administration and overhead as it does on tobacco prevention efforts!*

NO ON PROP. 56

NO to wealthy special interests using our initiative process just to increase their profits.

NO to cheating schools out of at least \$600 million per year.

NO to millions of new tax dollars going to overhead and administration with the potential for waste, fraud, and abuse.

NO to rewarding health insurance companies and wealthy special interests with even bigger profits, instead of solving real problems like roads, violent crime and fully funding our schools.

PLEASE READ IT FOR YOURSELF AND FOLLOW THE PROP. 56 MONEY AT:

www.NoOnProposition56.com

Please join us in voting 'NO' on Prop. 56.

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